

MINUTES
STATE BOARD OF FINANCE
JUNE 17, 2008
OFFICE OF THE OMB DIRECTOR
STATE HOUSE ROOM 212

Members in Attendance:

Chris Ruhl, SBA Director
Treasurer Richard Mourdock
Mike Frick, Deputy Auditor

Also in Attendance:

Adam Horst, State Budget Agency
Debbie Hinline, Department of Education
Wanda Williams, Department of Education
Jennifer Bell, Crowe Chizek and Company, LLC
Thomas Guevara, Crowe Chizek and Company, LLC
Chris Atkins, OMB
Kathy Frick, Auditor's Office
Jim Holden, Chief Deputy Treasurer
Mike Lucas, Barnes and Thornburg, LLP

CALL TO ORDER

SBA Director, Chris Ruhl, called the meeting to order at 9:07am. Treasurer Richard Mourdock arrived at 9:08

APPROVAL OF MINUTES

Deputy Auditor Mike Frick moved to approve the minutes from the March 18, 2008 meeting. SBA Director Chris Ruhl seconded, and the minutes were unanimously approved.

INDIANAPOLIS DESEGREGATION DISTRIBUTIONS

A request was made by the Department of Education for the desegregation distributions to the following Indianapolis School Corporations effective July 15, 2008. The July quarterly installment for desegregation represents one-fourth of the estimated expenses for 2007-2008 and totals \$9,884,257.96. Seven public school corporations under the Order submitted these claims. Transfer tuition comprises \$5,773,149.77. The residual \$4,111,108.19 is transportation, other desegregation costs and transition support.

<u>MSD Decatur Twp.</u>	
Transfer Tuition	\$545,472.06
Regular Transportation	223,840.39
Extracurricular Transportation	55,661.93
Other Desegregation Costs	<u>397,450.91</u>
Total	\$1,222,425.29
<u>Franklin Township</u>	
Transfer Tuition	\$414,560.94
Regular Transportation	252,331.25
Other Desegregation Costs	<u>290,081.34</u>
Total	\$956,973.53
<u>MSD Lawrence Twp.</u>	
Transfer Tuition	\$396,263.30
Regular Transportation	40,614.28
Other Desegregation Costs	<u>135,365.82</u>
Total	\$572,243.40
<u>MSD Perry Twp.</u>	
Transfer Tuition	\$1,442,801.39
Regular Transportation	662,958.89
Other Desegregation Costs	<u>700,517.11</u>
Total	\$2,806,277.39
<u>MSD Warren Twp.</u>	
Transfer Tuition	\$1,106,162.01
Regular Transportation	135,386.08
Other Desegregation Cost	<u>256,982.34</u>
Total	\$1,498,530.43
<u>MSD Wayne Twp.</u>	
Transfer Tuition	\$1,867,890.07
Regular Transportation	178,762.21
Other Desegregation Costs	<u>435,530.64</u>
Total	\$2,482,182.92
<u>Indianapolis Public</u>	
Transition Support	<u>\$345,625.00</u>
Total	\$345,625.00

Pursuant to the Federal Court Order, section 5(a)(1), the State shall repay itself from the state support due the Indianapolis Public Schools the lesser of the total amount of transfer tuition payable to all receiving corporations or certain state and local revenues for the students transferred. Accordingly, the April tuition support payment to the Indianapolis Public Schools will be decreased by \$4,976,242.96.

SBA Director Chris Ruhl moved to approve the distributions as set forth in the agenda, Treasurer Mourdock seconded, and the distributions were unanimously approved.

COMMON SCHOOL FUND LOAN AGREEMENT

Pursuant to IC 20-49-4-23, upon request of the Indiana State Board of Education to sell and transfer all or a portion of certain Advancement Agreements to the Indiana Bond Bank in an amount not to exceed \$225,000,000. The signed Advancement Acquisition and Administration Agreement are attached hereto as Exhibit A.

SBA Director Chris Ruhl moved to approve the Resolution on the sale set forth in the agenda, Treasurer Mourdock seconded, and the loan was unanimously approved.

BROWN COUNTY RAINY DAY LOAN

Chris Atkins from OMB presented to the Board for approval a loan from the Rainy Day Fund Loans to Brown County Schools in an amount six million dollars (\$6,000,000.00) with an interest rate of one percent (1%) and a loan term of seventy two (72) months as provided by House Bill 1125, Section 5 Indiana Code 6-1.1-21.4. A copy of the resolution is attached hereto as Exhibit B.

SBA Director Chris Ruhl moved to approve the loan as set forth in the Resolution, Treasurer Mourdock seconded, and the loan was unanimously approved.

CITY OF KOKOMO RAINY DAY LOAN

Chris Atkins from OMB presented to the Board for approval a loan from the Rainy Day Fund Loans to The City of Kokomo in an amount not to exceed the amount of delinquent taxes owed by a qualified taxpayer under Indiana Code 6-1.1-21.9 as amended by HEA 1125. The current amount of which is two million, four hundred thirty three thousand, fifty-two dollars, and forty-one cents (\$2,433,052.41) with an interest rate of zero (0%) and a loan term of one hundred twenty (120) months. This loan is for a shortfall in 2006 property tax revenues as a result of the bankruptcy proceedings instituted by Delphi Automotive Systems, LLC, which is a “qualified taxing unit” as defined in Indiana Code 6-1.1-21.9-1(b) A copy of the resolution is attached hereto as Exhibit C.

SBA Director Chris Ruhl moved to approve the loan as set forth in the Resolution, Treasurer Mourdock seconded, and the loan was unanimously approved

NEW OR OTHER BUSINESS

No new business was brought before Board.

ADJOURNMENT

SBA Director Chris Ruhl moved to adjourn the meeting, Treasurer Richard Mourdock seconded, the motion to adjourn was unanimously approved, and the meeting was adjourned.

Chris Ruhl, SBA Director

Deputy Auditor Mike Frick

Treasurer Richard Mourdock